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New Public Governance in the Visegrád Group (V4)

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New modes of governance

In the past decades both legal science and political sciences have been increasingly focusing on the issue of statehood, the changing role of nation-states in the process of European integration and globalisation. Governance is generally seen as an alternative to the monolithic and hierarchic concept of government and it is rather orientated towards building vertical partnerships and horizontal networks.

For the theme of my study non-state-centred approaches are determining, which stipulate that the policy of the European Union (EU) is influenced primarily by national governments. The development of the construction of the EU has introduced new concepts, among them is a concept of multilevel governance (Rhodes 1997; Hix 1998; Hooghe-Marks 2001; Kooiman 2002). The novel concept of multilevel governance breaks the grey zone between intergovernmentalism and supranationalism. Furthermore, multilevel governance does not address the sovereignty of states directly, but simply states that a multilevel structure is created also by subnational and supranational actors (Brie-Gal 2011, p. 285).

The multilevel governance approach considers the European Union as a sui generis legal and political system, authority of which is dispersed across multiple actors. Furthermore, decision-making competencies are shared by actors at different governmental levels rather than monopolized by national governments (Hooghe-Marks 2001, pp. 2–3). The study focuses on how subnational-level units appear besides nation-states in decision-making processes.

The analytical framework of the study is the concept of Europeanization¹. How Europe should be governed and how the basic institutions of governance should be organized.

¹ There are many approaches to Europeanization. Europeanization provides a shift of focus in relation to theories of European integration, theories of governance and classic themes in comparative politics.

For understanding Europeanization Olsen distinguishes different phenomena referred to by the term (Olsen 2002, p. 3):

- Europeanization as changes in external territorial boundaries;
- Europeanization as the development of institutions of governance at European level;
- **Europeanization as central penetration of national and subnational systems of governance;**
- Europeanization as exporting forms of political organization and governance that are typical and distinct for Europe beyond the European territory;
- Europeanization as a political project aiming at a unified and politically stronger Europe.

From the point of view of the study, which is decentralisation, amongst the above aspects the study focuses on the Europeanization that implies adapting subnational systems of governance to a European political centre and European-wide norms. Europeanization has modified the shared notions of governance in the EU Member States by inserting regions into a complex set of layers of governance (Radaelli 2004, p. 6).

The study is based on the review and analysis of academic research, documents of the European Union, extracting and linking key findings from existing research and practice.

European Good Governance

The EU faces serious performance problems which concerns the efficiency of decision-making and more often the democratic legitimacy. Can the new mode of governance for the EU give a solution to the challenges faced by European governance?

Political science noticed the phenomenon of multilevel governance in the course of implementation of the regional policy of the EU. In the early 1990s Gary Marks developed the novel concept of multilevel governance in the context of EU regional policy, but the term is now applied to the EU more generally and covers all public policy areas.

The EU regional policy, with all the requirements attached to it for allocating structural funds, has a strong impact on the national systems of government. In some cases, especially countries with low levels of regionalisation are

triggering important reforms and indirectly promoting decentralisation. However, the regions of strongly regionalised or federalised states will already possess these powers and generally have been involved in regional development prior to the implementation of the EU structural policy (Marks 1993, p. 392).

The European Commission launched a significant reform of governance in the White Paper on European Governance (2001) in order to drive forward changes which proposes opening up the policy-making process to get more people and organisations involved in shaping and delivering EU public policy (Commission, White Paper, 2001). European governance and administration is characterized as a system of rules that affect the way in which powers are exercised and institutions are established by the European Community. The White Paper makes reference to principles that underpin democratic governance. These principles are the openness, participation, accountability, effectiveness which apply to all levels of government: supranational, national, regional and local.

The European Commission was convinced of the importance of improving European governance at the beginning of the 21st century and took the view that the basic objectives and approaches of the White Paper are promoting new forms of governance (Dizdarevic 2011, p. 12). The question was how the EU can contribute to a comprehensive reform of European governance.

The limits to the White Paper understanding of 'governance' are that it focuses predominantly on the effectiveness and efficiency of the EU decision-making system, while disregarding the issues of democratic legitimacy. Henceforward the issues of how to improve the legitimacy of the EU's multi-level governance system and how to put multilevel governance into practice remain on the agenda. It is expected from 'good governance' to bring about improved proximity between citizens and European institutions.

Decentralised Governance

In the interests of 'good governance' system, it is important to create a multilevel government in which local and regional (self-) governance plays a significant part in the arrangement of public affairs.

In the 1990s there was growing engagement of subnational governmental actors within the institutions and processes of EU policy-making. This was an era of the 'Europe of the regions', where a third, regional level was emerging to claim input into European policy-making.

Due to the comprehensive process of decentralisation the concept of multilevel governance has seen an increased focus on the emergence of sub-national governance structures in the EU. Counterbalancing the dominance of central government, the local and regional authorities come to the fore by the 21st century.

The relationship between decentralisation and 'good governance' comes forward in decentralised governance, based on the principles of 'good governance'. This form of governance is flexible and dynamic and well performs the conditions of 'good governance'.

Decentralised governance operates on coordinated action by the EU, the Member States and regional and local authorities in accordance with the principles of subsidiarity and proportionality. The principle of subsidiarity forbids the EU to take action if it were more effective to do so at national, regional or local level, according to the ordainment of the Treaty on the Functioning of the European Union (TFEU 2012, pp. 206–209).

1. However, the development of decentralisation in the EU Member States is still slow because the contribution of regional and local levels of multilevel governance is determined by the extent of how the central government broadens their competence in public law. Although there is a clear trend in Europe towards a process of decentralisation, which is not uniform, the conditions for such shared governance have not yet been met in full yet and the competences, devolved to regions and municipalities, vary between the member states.

The following typology of state structures, defined by the EU working group on multilevel governance (2009), distinguishes four types of state systems: federal, regionalised, decentralised and unitary (see: Table 1).

Table 1. Typology of state structures

Unitary states	Decentralised unitary states	Regionalised unitary states	Federal states
Cyprus Greece Luxembourg Ireland Portugal Bulgaria Estonia Hungary Lithuania Romania Slovenia	Denmark Finland The Netherlands France Sweden Latvia Slovakia Czech Republic	Italy Malta Spain United Kingdom Poland	Austria Belgium Germany

Source: Metis Gmbh 2009, p. 23.

2. Decentralisation of political authority in the practice of 'good governance' needs to be supported politically and financially by actors at all levels of governance in the EU: supranational, national and local.
3. Decentralisation will only succeed when local communities become involved, participate in the local decision-making process, express local priorities, and hold their local officials accountable for delivering the local services desired in a cost-effective manner.

Constitutional and legal foundation of local and regional governments in the Visegrád Group

The Visegrád Group countries (V4) took steps to guarantee the implementation of the principle of self-government and financial autonomy of local and regional authorities. All countries ratified the European Charter of Local Self-Government (1985), but there are differences to what extent the sub-national system of Visegrád countries complies with the Council of Europe Reference Framework for Regional Democracy (2009). The overall trend towards decentralisation of competences and the protection of the principle of local self-government comprise a substantive part in the constitutions (see: Table 2).

Czech Republic

The Czech Republic is a unitary state with three levels of governance: central, regional and municipal. There are 14 regions (*kraje*) and 6,249 municipalities (*obce*).

The basic status of territorial self-governance was established in 1992. Article 99 of the Constitution of the Czech Republic (1992) differentiates between local and regional levels of self-government "... *municipalities shall be fundamental self-governing territorial divisions, and regions, which shall be superior self-governing territorial divisions*".

In 1997 the Constitutional Act established 14 regions (including the capital city Prague)². By state law both regions and municipalities are entitled

² Legal acts governing decentralisation: Municipal Act 367/1990, The Act No. 128/2000 on Municipalities, The Constitutional Act on the Higher Self-Governing

to autonomous responsibilities, over which they have considerable freedom with regard to financial and legal aspects, and delegated responsibilities, which need to be executed in accordance with central government guidelines.

Hungary

Hungary is a unitary state, composed of 19 counties (*megyék*) and 3,175 communities (*települések*).

Act LXV of 1990 on Local Governments was the starting point of the decentralisation process. The Fundamental Law of Hungary (2011) recognises the local governmental system (Art. 31–35). Local government units administer public affairs and exercise public power at local level. Act CLXXXIX on Local Government of 21 December 2011 leaned towards the centralisation of certain local competences. The reform entered into force in January 2013.

The powers exercised by the counties were almost completely shifted to the State while they preserved competences in the area of spatial development, regional development, spatial planning and economic development for long-term projects.

Poland

Poland is a unitary State organised on a decentralised basis, comprising 16 regions (*województwa*), 379 counties (*powiaty*) and 2,479 municipalities (*gminy*). The principle of decentralisation is enshrined in the Constitution (1997). According to Article 15 'The territorial system of the Republic of Poland shall ensure the decentralisation of public power'.³ The Constitution describes the underlying principles of local government (Art. 163–172). The local government units have legislative powers for areas of local interest

territorial units No. 347/1997 Act No. 131/2000 on Capital City Prague and Act No. 129/2000 on Regions

³ Legal Acts on decentralisation: The 1990 Act on Municipalities; The 1998 Act on the three-tier division of the country; The 1998 Act on the Regions; The 1998 Act on the governmental administration of the Regions; The 1998 Act on the Counties; The 2003 Act on Local Government Revenue.

(Art. 94). By the reform of 1999 another two levels of self-government were introduced, the county (*powiat*) and region (*województwo*).

In addition, there is also a level of deconcentrated administration (state administration) based on the regions and chaired by a governor (*wojewoda*).

Slovakia

Slovakia is a unitary State. The territory of the Slovak Republic is divided into 8 regions (*samosprávne kraje*) and 2,891 municipalities (*obce*). According to Article 3 (1) of the Constitution (1992) the '*territory of the Slovak Republic is integral and indivisible*'.

Self-governing operates in two tiers. Municipalities are defined as the basic units of territorial self-administration by the Slovak Constitution, and regions have been introduced as *higher territorial units*. (Article 64, Article 64a).

The present dual and symmetrical model of public administration consists of both state and self-government. State government operates in two tiers: at national level (ministries) and at district level (79 okresy)⁴.

Table 2. Subnational Governance in the Visegrad Group

Country	Surface area (km ²)	Population (millions)	NUTS2	NUTS3	LAU1	LAU2
Czech Republic 78 868 10.49 oblast (8)				kraj (14)	okres (77)	obec (6249)
Hungary	93 029	9.94	statisztikai tervezési régió (7)	megye (19)	járás (198)	település (3175)
Poland	312 685	38.53	województwo (16)	podregion (72)	powiat (379)	gmina (2479)
Slovakia	49 034	5.39	oblast (4)	samosprávny kraj (8)	okres (79)	obec (2891)

Source: compiled by the author.

⁴ Act No.221/1996 on the Slovak Republic Territorial and Administrative Organisation, last amendment 453/2001; Act No.222/1996 on the Organisation of Local State Administration, last amendment 525/2003; Act No.302/2001 on the Government of higher territorial units (Law on the region), last amendment 445/2008; Act No.416/2001 on the transfer of some competences from State administration to Municipalities and higher territorial units, last amendment 103/2003; Act No. 369/1990 on Municipalities, last amendment 204/2010.

Partnership governance

With a new cycle of governance in the European Union on the horizon, the Committee of Regions (CoR) has adopted its White Paper on Multilevel Governance in 2009. Concerning the Committee of the Regions, multilevel governance represents a political rather than a legal instrument. The CoR considers multilevel governance as a means of coordinated actions by the European Union, the Member States and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies (CoR White Paper 2009, p. 6).

The White Paper reflects the determination to 'Build Europe in partnership'. The essence of the new 'partnership model' of governance is an equal and democratic status of local, regional, national and supranational levels of government and the voluntary cooperation among these different tiers. In the White Paper the CoR appears to suggest an adjustment of European governance through the proposal of 'shared responsibility'.

The standpoint of CoR's White Paper underlines that multilevel governance is a dynamic process with a horizontal and a vertical dimension. Its vertical dimension presupposes better coordination and cooperation between the different tiers of government, while its horizontal dimension imposes a coherent implementation of sectoral policies in order to ensure sustainable development and synergy with other relevant policies of the European Union (CoR White Paper 2009, p. 23).

However, multilevel governance fosters interconnection and interaction between different stakeholders: the creation of broad partnerships between the political, economic, cultural and civil actors, with regional and local authorities and all public or private entities (universities, chambers of commerce, foundations, etc.) with closer cooperation with citizens must include all aspects of everyday life (Spinaci, Vara-Arribas 2009, p. 6). All these interactions promote strengthening the horizontal partnerships on the ground, thereby they increase the added value of multilevel governance.

The implementation of the partnership governance gives answer to the lack of legitimacy while widening the formal procedures and creating the unique system of informal consensus and political deals. At the same time the analyses in social sciences indicate the risk of the non-traditional, non-represent-

ative type of new 'governance' formation: the formal rules are questionable with the reference to negotiation and to the involvement of stakeholders concerned; the interests are not stabilized, but can be multiplied without restraint; the final decision-maker is excluded and decision-making is replaced by consensus seeking process; the process slows down and the 'soft solution', which is liked by everyone, reduces the efficiency; the self-appointed stakeholders, participating in the process, lack democratic legitimacy (Boda 2006, p. 8).

All these phenomena are detected mainly in Central and Eastern Europe. The findings of the documents of the EU in Central Europe are henceforward theoretic, the mechanism of multilevel governance does not work satisfactorily in this area. Multilevel governance depends on the Member States themselves, since the decentralisation of the national competences (legislative, administrative, financial) to local and regional authorities depends on the political attitude of the central governments in the individual countries.

European Political Space

Changes in governance have an impact on different sectors, furthermore, governance also has a procedural aspect, concerning the manner (bottom-up or top-down) in which power is exercised in the field of public policies.

European integration, over the past decades, has been a policy-creating process. The Single European Act (in force since 1987) and the Treaty on European Union (in force since 1993) are part of a process of institutional reforms which had led to a single policy – a system of multilevel governance. The Treaty of Lisbon strengthens the mechanisms of multilevel governance (in force since 2009).

The multilevel governance, taking shape in the European integration, is examined by several documents. However, no legal framework has been elaborated yet, in which competences of European, national, regional and local tiers are described in a clear and comprehensive way.

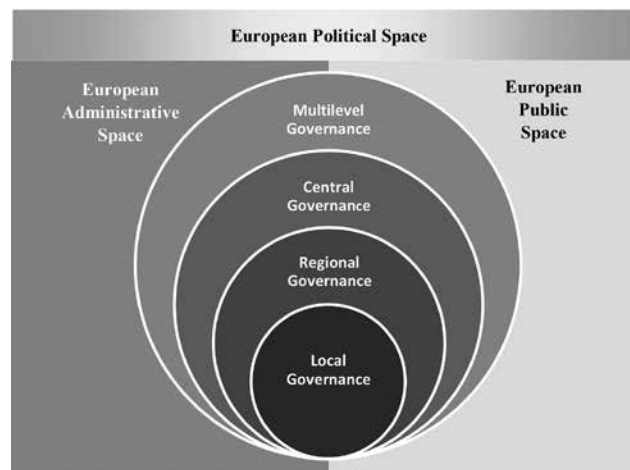
Nevertheless the full deployment of multilevel governance confirms the necessity of the development of the European Space along with the dimensions of the European Political Space, the European Public Space and the European Administrative Space (Ongaro 2009, p. 1). In addition, putting multilevel governance into practice requires improving the efficiency of the

existing mechanisms of both territorial and sectoral dimensions of the European Space as a whole (see: Figure 1).

1. As for the political framework there is a requisition towards central governments to acknowledge regional and local authorities as partners in the 'good governance' system because at present they regard their internal territorial organisation, as matters within their own national remit.
2. The expansion of the EU's activities over the last decades brought closer the regions and localities which are responsible for drawing up and implementing EU public policies. The strong involvement of regional and local authorities in the EU's policies reflects their growing compatibilities in the Visegrád countries as well.

European Public Policy Space

Local and regional authorities throughout the Union have the responsibility for providing a wide range of services to the public. Currently, after the Eastern enlargements (2004; 2007), nearly 95,000 local and regional authorities have significant powers in key sectors such as education, environment, economic development, town and country planning, transport, public services and social policies within the European Union. Moreover, the Local and Regional Authorities implement nearly 70% of EU legislation (CoR White Paper 2009, p. 3).



Now particular services vary considerably from country to country, because of the different subnational systems and different competences of the local and regional authorities. All these indicate that the patterns of Europeanization are various in the Visegrád countries and the composition of actors and resources in policy areas differs.

European Administrative Space

Drawing up and implementing EU public policies presuppose the build-up of a European Administrative Space. The Treaty of Lisbon (2009) brings out new regulations meant to promote and sustain 'good governance' and European administration, thus underlining the right to good administration.

The public administration structures and regulations vary among the V4 Member States, therefore the development of the European Administrative Space, as an informal entity, based on different national legal and administrative frameworks, refers to a set of common principles⁵ such as reliability and predictability (legal certainty), openness and transparency, accountability and efficiency and effectiveness that guide the actions within national public administration towards administrative convergence and performance.

The extent to which Visegrád Group countries share the public administration principles and values serve as preconditions for a closer integration among them and determine the degree of compatibility amongst their administrative systems.

The coordination of public policies and administrations is vital to improve European governance. The European administrative convergence of the Member States is a key factor in achieving 'good governance'. The administrative cooperation and improved administrative capacity through business-friendly administration could lead to the reform of the provision of public services and fulfil the expectations of citizens in the field of management of public policies.

⁵ The treaties of the European Union do not include a common model of public administrative system for the Member States.

Closing remarks

In order to facilitate the Europeanization it is important to create a multi-level government in which local and regional (self)-governance plays a significant part in the arrangement of public affairs. From the aspect of the paper, decentralisation, in the Visegrád Group only solid progress has been achieved related to decentralised governance.

1. It is essential for local and regional authorities to have the necessary power to play their role in promoting and managing the challenges of competitiveness and innovation in public policies. Despite the ratification of the European Charter on Local Self-Government by all Visegrád countries the provisions are often inconsistent with the Charter. There is a discrepancy between the competences and the resources of the local governments and the regional and local governments have overlapping responsibilities. In the Czech Republic, where the average population of municipalities is some 1,700 persons and the population of about 80% of them is below 1,000 (CLRAE Local and Regional Democracy 2012, p. 9) the high fragmentation of communal self-government units face serious financial problems.
2. The efficient and effective public administration reforms and the capacity-building are on the policy agenda in the Visegrád countries, while the implementation of public administration reforms are going slowly at local and regional levels.

Concerning Slovakia, the civil service suffers from high staff turnover and inefficient management of human resources. The low quality public administration is unable to provide business-friendly and citizen-centred service delivery. Efforts to tackle corruption have been limited. In Poland the insufficient coordination across levels of government and inadequate capacity of regional and local governments to implement and monitor policies is an obstacle for good governance and the effectiveness of public administration.

In Hungary instead of decentralisation, the main principle of the subnational governance system becomes deconcentration. The Hungarian subnational governance reforms introduced after 2010 reflect a very coherent vision of a state-centric model. In the new paradigm of a strong state the public administration system is highly centralised and the inadequate con-

sultation with interested parties, representing civil society, non-governmental organisations and economic partners harms the partnership principle and transparency of decision-making and implementation procedures.

In sum, the European integration is becoming differentiated (Koller 2014, p. 72) not only by multilevel decision-making and implementation of public policies but also by various groups of Member States. The Visegrád countries represent a subnational added value to the differentiated integration through their vertically and horizontally divided multilevel governance structures. Assessing its future effects, the divergence among the subnational levels could easily present an obstacle to the continuation of the Europeanization.

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